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TAGS: [PREL](#) [PARM](#) [PGOV](#) [KU](#)  
SUBJECT: PARADE OF FOREIGN MINISTERS TALK IRAN IN KUWAIT:  
NO GREAT IDEAS EMERGE

REF: KUWAIT 1745

Classified By: Ambassador Richard LeBaron for reasons 1.4(b) and (d).

¶1. (C) Summary: MFA Undersecretary Khaled Al-Jarallah briefed the Ambassador on the flurry of Foreign Minister visits -- Russia, China, Iran, and Germany -- who visited Kuwait May 20 - 22. All were in the region to discuss bilateral issues or to attend the Asian Cooperative Dialogue meeting in Doha, but used the meetings with Kuwaiti officials to exchange views on Iran. Both the Iranian and Russian FMs stressed that there is no threat to the region from the Bushehr plant. There was concern about the possibility of military action against Iran and the Russians and Iranians encouraged a diplomatic solution to the standoff. Russia and Kuwait also agreed on payment for an overdue loan. The visits of the German and Chinese FMs addressed bilateral trade issues. End Summary.

Lavrov on Bushehr: "Don't Worry, Be Happy"

¶2. (C) MFA Undersecretary Khaled Al-Jarallah told the Ambassador on May 24 of his surprise that Russian FM Sergey Lavrov said the Iranian Bushehr nuclear plant was not a threat to the region. During his May 22 meetings with the Amir, Crown Prince Shaykh Nawaf, Prime Minister Shaykh Nasser, and FM Shaykh Dr. Mohammed, Lavrov, (who spoke in English), insisted the facility was safe and although it had not yet begin operating, it would do so within IAEA guidelines. Lavrov attempted to further reassure the Kuwaitis by telling them that according to Russian, U.S., and UK intelligence, it would be years before the Iranians could develop a nuclear weapons capability. Russia believes that military action against Iran would be disastrous for the region and supported a diplomatic solution to the dispute. Lavrov asserted Iran's right to a peaceful nuclear program and said Russia would assist the GOI in its efforts to develop an energy program. He made no comment on Russian enrichment of Iranian uranium. Russia will also assist the international community -- specifically Germany, the U.S. and the UK -- in reaching a political solution that permits Iran to pursue nuclear programs for peaceful uses and hopes Iran will accept the pending EU-3 proposal and incentives package.

¶3. (C) The Russian Ambassador to Kuwait, Azamat Kul Mukhametov, reiterated Al-Jarallah's summary of the visit in a readout he provided to the Ambassador. He said Russia did not have any solutions to the problems with Iran, but knew that military action was not the answer. He added that Kuwaiti FM Shaykh Dr. Mohammed suggested that Russian cooperation with Iran on nuclear energy could be the carrot to encourage responsible behavior. The Kuwaiti FM also suggested urging those groups that are not pleased with

Ahmadinejad's regime to call for compliance with the IAEA. Lavrov was skeptical, saying there was widespread popular support for Iran's nuclear program and it would be difficult for any group to campaign against it. He also advocated caution so Iran would not be enticed to withdraw from the NPT. The Russian Ambassador said the proposal for Russian reprocessing of Iranian uranium was still on the table, but has been overshadowed by the EU effort. The Kuwaitis emphasized to Lavrov the need to maintain international consensus on the Iranian nuclear issue.

#### Russia on Regional Issues

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14. (C) On Iraq, Lavrov expressed optimism about the new government and Al-Jarallah commented that Russia did seem to be deeply interested in developments in Iraq. The Russian Ambassador reported that Iraqi FM Hoshiyar Zebari told Lavrov that Syria had strengthened control of both its border with Iraq and immigration procedures at the Damascus airport. On the peace process, the Russian Ambassador commented that the GOK seemed pessimistic when discussing developments with Lavrov. There was a sense that Israeli PM Ehud Olmert was "too eager for separation" and the GOK wanted the international community to increase pressure on Israel. Lavrov informed the Kuwaitis that the Quartet was discussing a mechanism for transferring funds to the Palestinian people and the GOK reportedly looked forward to using it. Ambassador Mukhametov commented that Ahmadinejad reportedly pressed the Amir to transfer money to the Palestinian Authority and the Amir retorted, "Call me when you transfer money to the PA and it reaches the right people."

#### Russia Makes Good on Unpaid Loan

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15. (C) Russia and Kuwait also reached agreement on Russian repayment of a \$1.6 billion (\$1 billion in principal and the rest in interest) loan made to Russia during the Iraqi occupation of Kuwait. One billion will be paid immediately in cash and the balance in installments over the course of a year. Al-Jarallah confided in the Ambassador Russia had not intended on repaying the loan ("in their books, the balance was zero"), but Kuwaiti negotiators persisted and Russia can now afford to make good on the debt. Al-Jarallah added that Energy Minister Shaykh Ahmed Fahad Al-Sabah would soon travel to Moscow to sign the agreement; his trip had been postponed due to political developments in Kuwait. He noted that Russia owed Saudi Arabia \$2 billion for a loan made at the same time.

#### Iran: Resolving the Continental Shelf Dispute

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16. (C) Much of Iranian FM Manouchehr Mottaki's May 20 visit focused on three long-standing bilateral issues: delineation of the continental shelf boundary, gas exploration of the offshore Durra field, and water. Al-Jarallah said the GOK insisted on a decision on the continental shelf and the two sides agreed that a technical team would meet within days to receive the Iranian response to a Kuwaiti proposal. The parties also agreed to elevate an existing committee to the minister-level, to be led by the FMs, to resolve outstanding bilateral issues. Amir Shaykh Sabah will visit Tehran on the return leg of an upcoming Asian tour and the GOK hoped the shelf issue would be resolved to allow for a successful visit. (Note: The GOK clearly wants to use a visit to leverage the continental shelf agreement.)

#### Iran Says the Oil is Running Out

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17. (C) Addressing the nuclear standoff, Mottaki told FM Shaykh Dr. Mohammed that within 20-30 years, oil reserves

would be depleted and Iran and the region would be in need of alternative energy sources. He insisted GOK fears of a nuclear disaster were unfounded, explaining that the Bushehr technology was very advanced. He told the GOK that Iran planned to build 15-20 nuclear stations that would be used for peaceful purposes only. Al-Jarallah described Mottaki as very concerned about military action against Iran.

Kuwait Delivers Clear Message on Iran's Regional Role  
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18. (C) Al-Jarallah told the Ambassador that during a meeting of only Mottaki, the Amir, and FM Shaykh Dr. Mohammed, the Amir conveyed a very clear message that Iran should not interfere in Iraq or any other country in the region. While Mottaki insisted that Iran had good relations with both Sunni and Shi'a Iraqis and hoped to normalize relations with the new government, he got the message about no meddling.

Germany, China, and Jordan  
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19. (C) Al-Jarallah did not provide a detailed read-out of the German and Chinese FMs' brief visits. The German FM was accompanied by a small business delegation and also had meetings with the Chamber of Commerce. The German Ambassador told us that much of the conversation was about the Iran nuclear program, with both sides agreeing that Iran needs to cooperate with the IAEA and the international community. The Kuwaitis described the GCC plan to send an Omani-led delegation to talk to the Iranians, but provided no details of dates or other participants. Talks with the Chinese FM focused on Kuwaiti investment in China, including the purchase of a significant share in a large bank and a large petrochemical project, which the PRC FM promised to support. The May 21 visit of Jordanian King Abdullah was also very short, consisting of lunch with the Amir while accompanying ministers waited at the airport. Jarallah speculated that the conversation focused on Jordan's urgent oil needs. (Note: In the middle of all these visits, the Kuwaiti leadership was managing major domestic political events, leading to dissolution of Parliament on May 20. The Russian Ambassador noted that the Amir appeared exhausted.)

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